

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Continue
Implementation and Administration of California
Renewables Portfolio Standard Program.

Rulemaking 06-05-027
(Filed May 25, 2006)

**DIRECT ENERGY BUSINESS, LLC'S (f/k/a Strategic
Energy, LLC) *REVISED* AUGUST 2008 SEMI-ANNUAL
COMPLIANCE REPORT PURSUANT TO THE
CALIFORNIA RENEWABLES PORTFOLIO STANDARD**

24-Oct-08

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RPS Compliance Report: Summary

Direct Energy Business, LLC	2006
10/24/2008	

RPS Summary Report	MWh	%
Prior Year California Retail Sales	5,235,220	
Annual Procurement Target (APT)	52,352	1.0%
California RPS-Eligible Procurement	54,030	1.0%
Annual Procurement Surplus/(Deficit)	1,678	
Adjusted Procurement Percentage*		1.0%

* 'Adjusted Procurement Percentage' includes flexible compliance as proposed by the LSE, it is not necessarily used to determine compliance.

RPS Eligible Procurement	MWh	%
Biomass	0	0.0%
Digester Gas	0	0.0%
Biodiesel	0	0.0%
Landfill Gas	0	0.0%
Muni Solid Waste	0	0.0%
<i>Biopower Subtotal</i>	0	0.0%
Geothermal	54,030	100.0%
Small Hydro	0	0.0%
Conduit Hydro	0	0.0%
Solar PV	0	0.0%
Solar Thermal	0	0.0%
Wind	0	0.0%
Ocean/Tidal	0	0.0%
Fuel Cells	0	0.0%
Total RPS Eligible Procurement	54,030	100.0%

Flexible Compliance	MWh
IPT Deferral	0
Earmarking	0
Banked Procurement Applied	0
Total Flexible Compliance	0

Deficits and Penalties	2006
Preliminary Procurement (Deficit)	0
Adjusted Annual Procurement Deficit	0
Adjusted Deficit Deferred	0
Potential Penalty	\$0
Current Penalty (with flexible compliance)	\$0

** Potential Penalty is calculated based on 'Adjusted Annual Procurement Deficit' and may be deferred or waived if LSE provides allowable reasons and/or uses flexible compliance.

☐ Check box (x) if LSE is including supplemental materials necessary for a full and complete report (include attachments as needed).

- Any supplemental materials should state each reason asserted in support of deferral or waiver of penalty, consistent with allowable reasons for non-compliance listed below. (D.03-12-065, D.03-06-071, D.06-05-010 and Public Utilities Code Section 399.14(a)(2)(C)(ii).)

[Insufficient response to RFO, Contracts already executed will provide future deliveries sufficient to satisfy current year deficits, Inadequate public goods funds to cover above-market costs, Seller non-performance, Lack of effective competition, Deferral promotes ratepayer interests and RPS objectives, Showing of good cause, Insufficient transmission]

- If stating earmarked contracts as a reason for a temporary deferral, make sure contract names and planned energy deliveries match what is listed in Earmarking Detail and Procurement Detail tabs.

RPS Compliance Report: Summary

Direct Energy Business, LLC	2007
10/24/2008	

RPS Summary Report	MWh	%
Prior Year California Retail Sales	5,173,971	
Annual Procurement Target (APT)	104,092	2.0%
California RPS-Eligible Procurement	319,614	6.2%
Annual Procurement Surplus/(Deficit)	215,522	
Adjusted Procurement Percentage*		6.2%

* 'Adjusted Procurement Percentage' includes flexible compliance as proposed by the LSE, it is not necessarily used to determine compliance.

RPS Eligible Procurement	MWh	%
Biomass	0	0.0%
Digester Gas	0	0.0%
Biodiesel	0	0.0%
Landfill Gas	0	0.0%
Muni Solid Waste	0	0.0%
<i>Biopower Subtotal</i>	0	0.0%
Geothermal	319,614	100.0%
Small Hydro	0	0.0%
Conduit Hydro	0	0.0%
Solar PV	0	0.0%
Solar Thermal	0	0.0%
Wind	0	0.0%
Ocean/Tidal	0	0.0%
Fuel Cells	0	0.0%
Total RPS Eligible Procurement	319,614	100.0%

Flexible Compliance	MWh
IPT Deferral	0
Earmarking	0
Banked Procurement Applied	0
Total Flexible Compliance	0

Deficits and Penalties	2007
Preliminary Procurement (Deficit)	0
Adjusted Annual Procurement Deficit	0
Adjusted Deficit Deferred	0
Potential Penalty	\$0
Current Penalty (with flexible compliance)	\$0

** Potential Penalty is calculated based on 'Adjusted Annual Procurement Deficit' and may be deferred or waived if LSE provides allowable reasons and/or uses flexible compliance.

☐ Check box (x) if LSE is including supplemental materials necessary for a full and complete report (include attachments as needed).

- Any supplemental materials should state each reason asserted in support of deferral or waiver of penalty, consistent with allowable reasons for non-compliance listed below. (D.03-12-065, D.03-06-071, D.06-05-010 and Public Utilities Code Section 399.14(a)(2)(C)(ii).)

[Insufficient response to RFO, Contracts already executed will provide future deliveries sufficient to satisfy current year deficits, Inadequate public goods funds to cover above-market costs, Seller non-performance, Lack of effective competition, Deferral promotes ratepayer interests and RPS objectives, Showing of good cause, Insufficient transmission]

- If stating earmarked contracts as a reason for a temporary deferral, make sure contract names and planned energy deliveries match what is listed in Earmarking Detail and Procurement Detail tabs.

RPS Compliance Report: Accounting

Direct Energy Business, LLC
10/24/2008

Line#	RPS Baseline Calculation	(MWh)
1	2001 Total CA Retail Sales	1,314,520
2	2001 CA RPS-Eligible Procurement	0
3	2005 Total CA Retail Sales	5,235,220
4	2005 Baseline Procurement Amount	0

	Input Required
	Forecasted Data
	Actual Data

		Actual					Forecast			Forecast			Forecast						
RPS Procurement and Targets (MWh)		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
5	California Retail Sales	N/A	N/A	5,235,220	5,173,971					4,042,851	4,042,851	4,042,851	4,042,851	4,042,851	4,042,851	4,042,851	4,042,851	4,042,851	4,042,851
6	California RPS-Eligible Procurement	N/A	N/A	0	54,030					0	0	0	0	0	0	0	0	0	0
7	Annual Procurement Target (APT)	N/A	N/A	0	52,352	104,092					808,570	808,570	808,570	808,570	808,570	808,570	808,570	808,570	808,570
8	Incremental Procurement Target (IPT)	N/A	N/A	0	52,352	51,740				0	0	0	0	0	0	0	0	0	0
9	Preliminary Procurement Surplus/(Deficit)	N/A	N/A	0	1,678						(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)
10	APT Percentage	N/A	N/A	N/A	1.0%	2.0%	3.6%	4.6%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
11	Actual Procurement Percentage	N/A	N/A	0.0%	1.0%	6.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
12	Adjusted Procurement Percentage*	N/A	N/A	N/A	1.0%	6.2%	3.6%	1.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

		Actual					Forecast			Forecast			Forecast						
Flexible Compliance - IPT Deferral		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
13	Maximum Deficit Eligible for Deferral	N/A	N/A	N/A	0	0					10,107	10,107	10,107	10,107	10,107	10,107	10,107	10,107	10,107
14	Deficit being Carried Forward to Year + 1	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Deficit being Carried Forward to Year + 2	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Deficit being Carried Forward to Year + 3	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Total Current Year Deficit Carried Forward	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Remaining Deficit from Year - 1 to Be Filled in Current Year	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Remaining Deficit from Year - 2 to Be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Remaining Deficit from Year - 3 to Be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Total Prior Year IPT Deficits That Must Be Filled This Year	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	Current Year Surplus Procurement Applied to Year - 1 Deficit	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Current Year Surplus Procurement Applied to Year - 2 Deficit	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Current Year Surplus Procurement Applied to Year - 3 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0
25	Total Deliveries Applied to Prior Year IPT Deficits	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0

		Actual					Forecast			Forecast			Forecast						
Flexible Compliance - Earmarking		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
26	Portion of Current Year Deficit Eligible for Earmarking	N/A	N/A	N/A	0	0					798,463	798,463	798,463	798,463	798,463	798,463	798,463	798,463	798,463
27	Future Year Deliveries Earmarked from Year + 1	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A
28	Future Year Deliveries Earmarked from Year + 2	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A
29	Future Year Deliveries Earmarked from Year + 3	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	N/A	N/A	N/A
30	Total Projected Procurement Earmarked to Current Year	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	Current Year Deliveries Earmarked to Year - 1	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	Current Year Deliveries Earmarked to Year - 2	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
33	Current Year Deliveries Earmarked to Year - 3	N/A	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0
34	Total Deliveries Earmarked to Prior Year Earmarked Deficits	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0

		Actual					Forecast			Forecast			Forecast						
Surplus Procurement Bank		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
35	Surplus Procurement Bank Balance as of Prior Year	N/A	N/A	0	0	1,678					1	1	1	1	1	1	1	1	1
36	Application of Banked Surplus Procurement to Current Year Deficit	N/A	N/A																
37	Adjusted Current Year Annual Surplus Procurement	N/A	N/A	0	1,678	215,522					0	0	0	0	0	0	0	0	0
38	Cumulative Surplus Procurement Bank Balance	N/A	N/A	0	1,678	217,200					1	1	1	1	1	1	1	1	1

		Actual					Forecast			Forecast			Forecast						
Adjusted Deficit		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
39	Adjusted Annual Procurement Deficit	N/A	N/A	N/A	0	0					(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)
40	Adjusted Deficit Deferred	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
41	Potential Penalty	N/A	N/A	N/A	\$0	\$0													
42	Current Penalty (with flexible compliance)	N/A	N/A	N/A	\$0	\$0													

Potential Penalty may be deferred or waived if LSE provides allowable reasons and/or uses flexible compliance

RPS Compliance Report: Earmarking Detail

	Input Required	Direct Energy Business, LLC
	Forecasted Data	10/24/2008
	Actual Data	

		Actual			Forecast			Forecast			Forecast						
Total Annual Earmarked Generation (MWh)		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	Contracted Generation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 2	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 3	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0	0	0	0

Contract Name	Contracted Generation			0	0	0	0										
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A		0	0	0										
	Allocated to Year - 2	N/A	N/A	N/A													
	Allocated to Year - 3	N/A	N/A	N/A	N/A												
Contract Name	Contracted Generation																
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A														
	Allocated to Year - 2	N/A	N/A	N/A													
	Allocated to Year - 3	N/A	N/A	N/A	N/A												
Contract Name	Contracted Generation																
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A														
	Allocated to Year - 2	N/A	N/A	N/A													
	Allocated to Year - 3	N/A	N/A	N/A	N/A												
Contract Name	Contracted Generation																
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A														
	Allocated to Year - 2	N/A	N/A	N/A													
	Allocated to Year - 3	N/A	N/A	N/A	N/A												
Contract Name	Contracted Generation																
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A														
	Allocated to Year - 2	N/A	N/A	N/A													
	Allocated to Year - 3	N/A	N/A	N/A	N/A												
Contract Name	Contracted Generation																
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A														
	Allocated to Year - 2	N/A	N/A	N/A													
	Allocated to Year - 3	N/A	N/A	N/A	N/A												
Contract Name	Contracted Generation																
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A														
	Allocated to Year - 2	N/A	N/A	N/A													
	Allocated to Year - 3	N/A	N/A	N/A	N/A												

RPS Compliance Report: Procurement Detail

	Input Required
	Forecasted Data
	Actual Data

Direct Energy Business, LLC
10/24/2008

Procurement Summary	Actual MWh				Forecast MWh			Forecast MWh			Forecast MWh							
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total RPS Eligible Procurement	0	0	0	54,030		0	0	0	0	0	0	0	0	0	0	0	0	0
Existing and/or Signed Contracts	0	0	0	54,030		0	0	0	0	0	0	0	0	0	0	0	0	0
Short-listed/Under Negotiation/Pending Approval	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Generic Future Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Contracting Quota Requirement	N/A	N/A	N/A	N/A	N/A	N/A				10,107	10,107	10,107	10,107	10,107	10,107	10,107	10,107	10,107
RPS Contracts: long-term and/or new facilities	N/A	N/A	N/A	N/A		0												
RPS Contracts: short-term with existing facilities	N/A	N/A	N/A	N/A	0	0												
Surplus Contracting Quota Bank as of Prior Year	N/A	N/A	N/A	N/A	0													
Banked Surplus Applied to Annual Quota	N/A	N/A	N/A	N/A														
Cumulative Surplus Contracting Quota Bank	N/A	N/A	N/A	N/A														
Minimum Annual Contracting Quota Shortfall	N/A	N/A	N/A	N/A	N/A	N/A												

RPS-Eligible Procurement By Resource Type	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Biomass	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Digester Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Biodiesel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Landfill Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Muni Solid Waste	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Biopower Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Geothermal	0	0	0	54,030		0	0	0	0	0	0	0	0	0	0	0	0	0
Small Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Conduit Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Solar PV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Solar Thermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wind	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ocean/Tidal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Cells	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

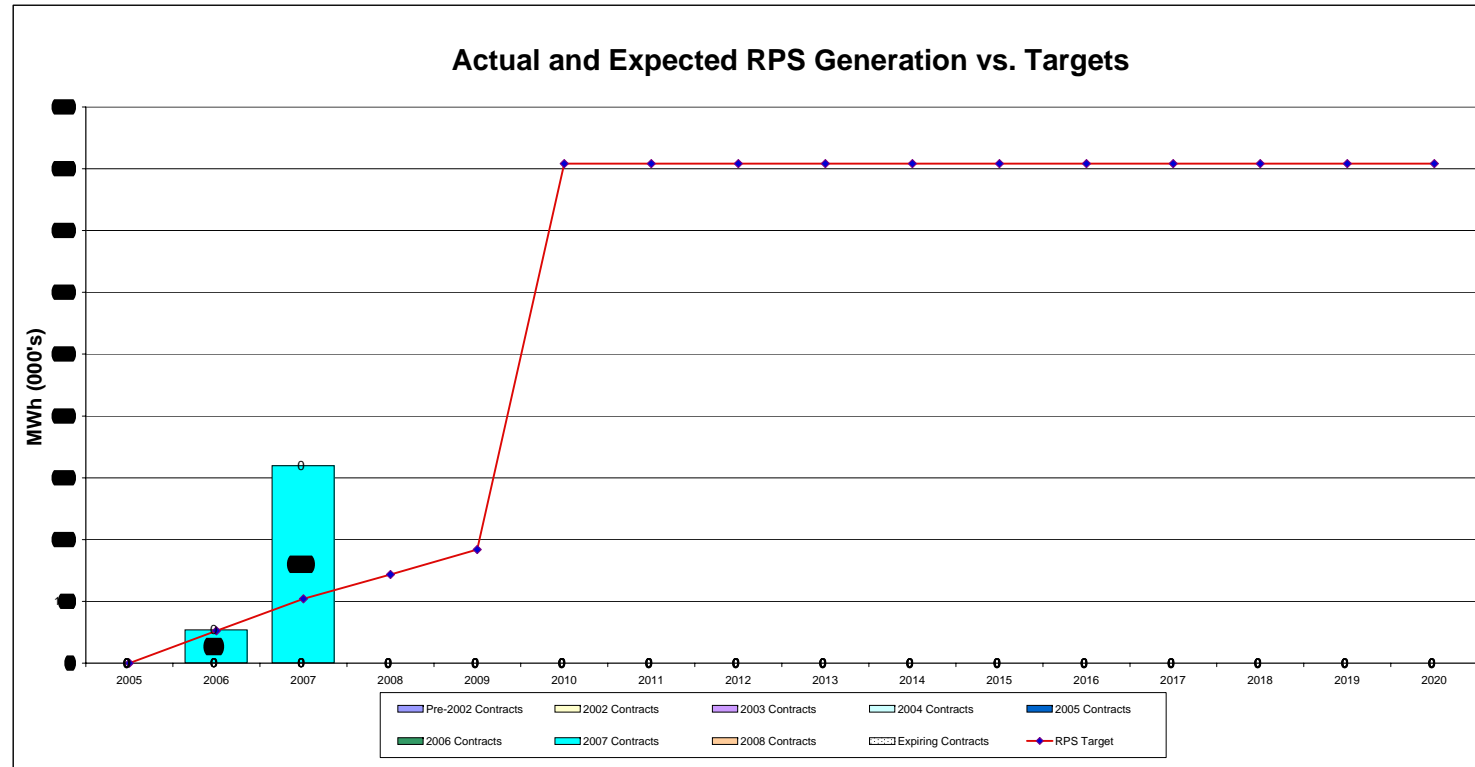
Contract Detail	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Contract Status	Facility Status
Pre-2002 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Biomass	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Digester Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Biodiesel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Landfill Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Muni Solid Waste	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Geothermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Small Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Conduit Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Solar PV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Solar Thermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Wind	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Ocean/Tidal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Fuel Cells	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
2002 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
2003 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
2004 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
2005 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
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Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
2006 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
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Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		

[illegible]

RPS Compliance Report: Performance Chart

Direct Energy Business, LLC
10/24/2008

RPS Procurement and Targets (MWh)	Actual MWh					Forecast MWh			Forecast MWh			Forecast MWh						
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Retail Sales	N/A	N/A	5,235,220	5,173,971					4,042,851	4,042,851	4,042,851	4,042,851	4,042,851	4,042,851	4,042,851	4,042,851	4,042,851	4,042,851
Actual RPS Procurement %	N/A	N/A	0.0%	1.0%	6.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
IPT	N/A	N/A	N/A	52,352					0	0	0	0	0	0	0	0	0	0
APT % (Baseline for 2003)	N/A	N/A	N/A	1.0%	2.0%	3.6%	4.6%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
APT as MWh Amount	N/A	N/A	0	52,352						808,570	808,570	808,570	808,570	808,570	808,570	808,570	808,570	808,570
Preliminary Surplus/(Deficit)	N/A	N/A	0	1,678						(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)	(808,570)



RPS Compliance Report: Calculations

RPS Baseline Inputs (MWh)		
Line#	Calculation	Notes
	Pursuant to D.07-07-025, the 2005 Initial Baseline Procurement Amount for the electric service providers (ESPs) is calculated using the following equation(s): 2001 CA RPS-eligible Procurement / 2001 total CA retail sales X 2005 total CA retail sales	
1-4	ESPs beginning retail sales in California between January 1, 2002 and December 31, 2005, the analogous formula is: CA RPS-eligible procurement in first year of CA retail sales / first-year CA retail sales X 2005 total CA retail sales	
	ESPs beginning retail sales after December 31, 2005, the Baseline Procurement Amount is equal to first year's RPS-Eligible Procurement	

RPS Procurement and Targets (MWh)		
Line#	Calculation	Notes
5	User supplied data	Annual retail sales actual and forecast
6	Data from "Procurement Detail" tab	In current and past years, this line should equal Total RPS-Eligible Procurement in procurement detail tab.
7	Prior year Line 7 + Line 8	
8	1% of line 5 (Y-1)	
9	Line 6 - Line 7	
10	Line 7 / Line 5 (Y-1)	
11	Line 6 / Line 5 (Y-1)	In 2005, 2005 CA RPS procurement is divided by 2001 CA total retail sales (or first-year CA retail sales).
12	(Line 6 + Line 17 + Line 25 + Line 30 + Line 34 + Line 36) / Line 5 (Y-1)	RPS procurement percentage after applying flexible compliance, assuming all allowable planned deliveries come online as planned.

Flexible Compliance - IPT Deferral		
Line#	Calculation	Notes
13	Up to 0.25% of Prior Year Retail Sales	The first year with an IPT, 100% of the IPT can be deferred for up to 3 years without explanation.
14-16	User supplied data	
17	Sum of Lines 14-16	Current year deficit carried forward. Warning triggered if cell value is greater than Line 13.
18-20	Record of Lines 14-16	Deferred IPT obligations due in current year.
21	Sum of Lines 18-20	Total deferred IPT obligations due in current year.
22-24	User supplied data	Past year IPT obligations retired with current year surplus procurement. Per accounting rules D. 06-10-050, Attachment A, page 9-10, current year deliveries may only be applied to past year IPT deficits after earmarked deliveries have been subtracted, and after any deliveries needed to meet current year APT have also been subtracted (D.03-06-0711, Conclusion of Law 25).
25	Sum of Lines 22-24	Total current year surplus applied to prior year IPT obligations due in current year

Flexible Compliance - Earmarking		
Line#	Calculation	Notes
26	Line 9 + Line 13 + Line 34	Portion of current year deficit greater than allowable IPT Deferral
27-29	Data from "Earmarking Detail" tab	
30	Sum of Lines 27-29	
31-33	User supplied data	User supplied data. Current year deliveries may only be applied to past year deficits which have been deferred by earmarking, after current year APT has been met (D.03-06-071), Conclusion of Law 25).
34	Sum of Lines 31-33	Total current year surplus subtracted to meet prior years Earmarking obligations due in current year

Surplus Procurement Bank		
Line#	Calculation	Notes
35	Line 38 (Y-1)	
36	User supplied data	
37	Line 9+ Line 25 + Line 34	Current year surplus procurement less any prior year IPT obligations and/or Earmarking obligations
38	Sum of Lines 35-37	

Adjusted Deficit		
Line#	Calculation	Notes
39	Line 9 + balance of IPT obligations after 3 years + balance of Earmarking obligations after 3 years	In any current year, the adjusted annual procurement deficit is the LSE's annual deficit less any deliveries used to meet IPT or Earmarking obligations for prior years deficits. Any portion of adjusted annual procurement deficit that remains after the following three years is subject to penalty.
40	Balance of IPT obligations after 3 years + balance of Earmarking obligations after 3	In any current year, the adjusted deficit temporarily excused is the sum of IPT deferral and Earmarked deliveries (line 17+ line 30). Any portion of line 40 remaining after 3 years will be reflected in line 39 and subject to penalty
41	Line 39 * \$50.0	Per accounting rules, LSEs must list penalty based the size of on adjusted annual procurement deficit, even if allowable reasons are being given for why the penalty is not yet due and payable. Penalties are assessed at \$0.05/kWh deficit.
42	(Line 39 + 40) * \$50.0	LSE's have the opportunity to make up annual procurement deficits through existing flexible compliance rules. Accordingly, if an LSE has a deficit in year 1, and is able to fully exercise flexible compliance mechanisms, the penalty for year 1 compliance may not apply.

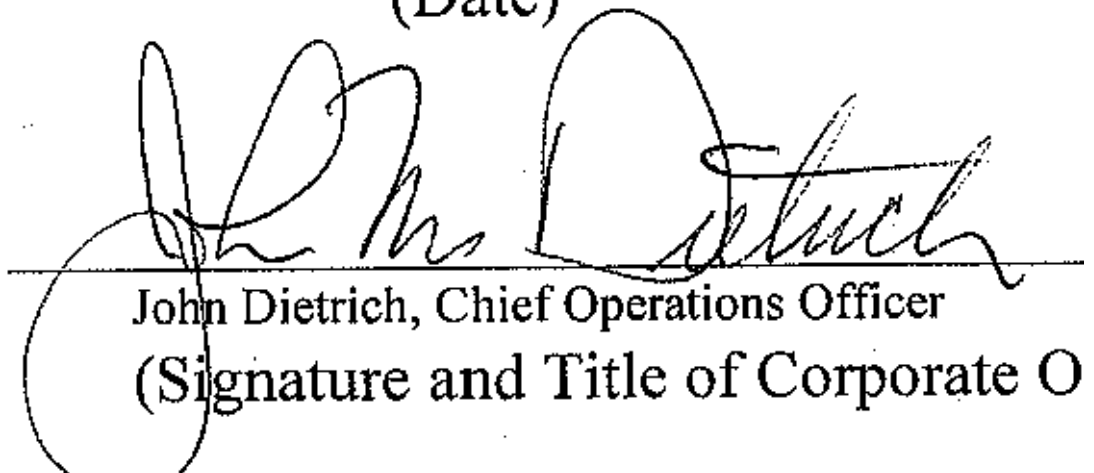
OFFICER VERIFICATION FORM

I am an officer of the reporting corporation herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true. The spreadsheet format used to file this compliance report has not been altered from the version issued or approved by Energy Division.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 10/24/2008 at PA
Pennsylvania.

(Date)


John Dietrich, Chief Operations Officer
(Signature and Title of Corporate O